

DECLASSIFIED

Class. CHANGED TO: TS

DDA Memo, 4 Apr 77

Auth: DDA REG. 77/1763

Date: 050498 By: 025

CENTRAL INTELLIGENCE GROUP

INTELLIGENCE REPORT

COUNTRY Yugoslavia

DATE: 25X1X6

~~CONFIDENTIAL~~

INFO. [REDACTED]

SUBJECT Railway and Highway Construction

DIST. 23 December 1946

25X1A6a

ORIGIN [REDACTED]

25X1X6

This document is upgraded to **PAGES 2**
 CONFIDENTIAL in accordance with the **SUPPLEMENT**
 letter of 10 October 1977 from the
 Director of Central Intelligence to the
 Arms and International Security Division

1. The single-track detour around the viaduct in Borovnica (45°55' N; 14°22' E) is not completed though trains run on it. This detour will eventually be double-track. About 15 kilometers of new track are being laid parallel to the old one from Borovnica, with indications that the line will run farther. This new line will have practically no bridges or culverts except small ones which can easily be repaired. Indications are that this is not a temporary route, as several solid rock cuts have been made. It was noted that a small tunnel large enough for a man to walk upright had been excavated parallel to the cuts. This appeared unusual to source, who assumed that the tunnel forms part of a military defense system or is constructed possibly for demolition.
2. Dirt construction on the Ljubljana-Vrhnika road is approximately 75 per cent completed. No concrete had been laid up to the middle of September. The concrete mat is to be seven and one-half meters wide for two-way traffic. On one side there will be a lane for bicycles and another lane for wagons. The subgrade is to be finished at this time so that in the future, by knocking out the bicycle and wagon lane, the subgrade will be ready for a double highway. Although the road runs over a considerable amount of boggy terrain, an excellent job is being carried out of draining off subterranean water. On the road construction job there were observed five D-7 bulldozers and one D-4, which were recognized as UNRRA equipment. However, one Buckeye Mod. 708 power shovel and one Galion Roller, both having U.S. Army markings, were said by the Minister of Public Works in Ljubljana not to be UNRRA equipment. The power shovel has since been shipped to a road project in the vicinity of Fiume. If equipment holds up and the same amount of labor is used in the future, this road project should be completed this year.
3. Five kilometers of the Belgrade-Zagreb autostrada have been finished with an additional nine kilometers within 80 per cent of completion. This highway was originally planned to be a two-way highway with a parkway in between. At present only half of the originally proposed width is being constructed. All equipment in use on the road project was furnished by UNRRA. There are approximately 60 pieces of heavy construction equipment used on the job in two shifts per day. 40 per cent of the equipment sent to the project, however, is now deadlined because of lack of spare parts. An UNRRA representative has been sent to Paris and London to attempt to obtain not only enough parts to put this equipment in first class operating condition but also to obtain a one-year supply. He was authorized by UNRRA in Belgrade to procure \$500,000 worth of automotive and heavy construction spare parts.

CLASSIFICATION SECRET

25X1A9a

ADSO	A DEP.	FBI	SPDR	INFORMATION LISTING MUST BE	
DADSO	FBK	WARNING	CONFIDENTIAL		
EXEC.	FBI	FBK	SPDR	EXCISE BEFORE PUBLIC RELEASE OF THIS DOCUMENT.	
CONTROL	FBM				
PLANS					

25X1A8a

CENTRAL INTELLIGENCE GROUP

25X1A2g

-2-

~~CONFIDENTIAL~~

4. Oils and greases being used in heavy construction equipment are of very inferior quality and not of the proper viscosity. Although, up to the present time, UNRRA has shipped to Yugoslavia 28765.392 metric tons of oils which included suitable types of oils and greases, these have not been made available for use on heavy equipment except in very minute quantities. The oils now in use are oils which have been procured by the Yugoslav government through other than UNRRA channels. Source learned from a reliable informant that high quality oils received from UNRRA are transferred to the Yugoslav armed forces and are replaced by inferior oils reputedly obtained from Rumania. This takes place in small amounts all over Yugoslavia, and is concealed in such a way that it never appears in any records. An example of such a transaction is that of DASP (not identified by source) paying for UNRRA oil from Yugopetrol and receiving Rumanian oil instead of UNRRA oil. 25X1X6 Comment: The connection between use of inferior oils and breakdown of machinery is obvious. It is thought that not only are UNRRA oils and greases being diverted to military use but UNRRA is footing the bill of replacing breakdown of machinery parts.)

~~CONFIDENTIAL~~

SECRET